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January 16, 2001

United States Department of Agriculture
Hearing Clerk
Room 1083
South Building
Washington, DC 20250

*Subject: Proposed Amendments to the Minimum Class III and Class IV Price Formulas
(Docket No. AO-14-A69, et al.; DA-00-03)*

To Whom It May Concern:

Western United Dairymen (WUD) is the largest dairy producer trade association in California, representing approximately 1,100 of the state's 2,000 dairy farm families in California. We have looked closely at the proposed amendments to the minimum Class III and Class IV pricing formulas released by USDA and are in support of the recommended revisions.

Following the release of the proposed amendments to the minimum federal Class III and Class IV price formulas, WUD petitioned the California Department of Food and Agriculture (CDFA) to make changes to the California Class 4b price to bring it into alignment with the federal Class III prices if the proposed amendments to the Class III price are adopted by the federal orders. CDFA denied our petition asking WUD to wait until a final decision is reached by USDA.

It is imperative that California's prices maintain a close relationship with federal order prices. Because we believe the changes recommended to the federal Class III price are correct and justified, we plan to submit another petition to CDFA once USDA has come to a final decision on this matter. By aligning California's Class 4b price with the federal Class III price, spurious concerns over a disparity in prices should be alleviated for all parties.

We greatly appreciate your attention to these matters and look forward to USDA reaching a final decision.

Very truly yours,

Signed Michael L.H. Marsh

Michael L. H. Marsh, CPA
Chief Executive Officer